AQUATIC LEASE INSPECTION REPORT

LEASE NUMBER: 22-A02332 START:11/1/2004 END:10/31/2034

USE: COMMERCIAL MARINA LEGAL: Sect 11; TWN 24-N; RNG 1-E

LAT: LONG:

LESSEE NAME: SEVEN JS INVESTMENT LIMITED PARTNERSHIP

ADDRESS: 1805 THOMPSON DRIVE, BREMERTON, WA

PHONE NUMBER: 360-479-3037

Contact made with lessee for inspection: YES; STEPHANIE (MARINA MANAGER) & KRISSY

BLINN (JSH – RECEIVERSHIP)

Use of lease area agrees with Authorized Use: Yes

AREA PERCENTAGE

~% WATER DEPENDENT ~% NON-WATER DEPENDENT

IMPROVEMENTS ON STATE-OWNED AREA

TYPE CONDITION DESCRIPTION

FLOATS FAIR WOOD DECKING; FLOATATION

MATERIAL VAIRIES – PREDOMINATE FLOATS ARE DR. PEPPER PLASTIC BARRELS FILLED WITH FOAM; &

CONCRETE;

PILES FAIR 61 CREOSOTE PILES + THE PILES UNDER

THE PIERS

PARKING LOT GOOD PARKING LOT ON FILL. THE ASPHAULT

IS IN GOOD CONDITION (STATE OWNED)

BULKHEAD * CONCRETE BULKHEAD – NO OBVIOUS

SIGNS OF DETERIORATION (STATE

OWNED)

RIP RAP * ANGULAR ROCK – IN SOME PLACES IT

APPEARS TO BE A SURFACE TREATMENT

INSPECTOR: Lindie Schmidt TITLE: Natural Resource Specialist II

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TO REDUCE WAVE ACTION, RATHER THAN A STRUCTURAL FEATURE

FLOATING HOME POOR TWO STORY FLOATING HOME

MARINA OFFICE * THE BUILDING IS CONSTRUCTED ON

FILL AND A PIER. THE CONDITION OF THE BUILDING WAS NOT ASSESSED.

MARINA RESTROOMS * THE BUILDING IS CONSTRUCTED ON

FILL AND A PIER. THE CONDITION OF THE BUILDING WAS NOT ASSESSED

INSPECTOR'S Remarks and Recommendations (amendment, maintenance, liability etc...)

This inspection was conducted as a follow-up to the default letter which was sent to JSH Receivership.

Conformance with Laws:

Outer Harbor Line: State Constitution and law do not allow DNR to rent the area outside the outer harbor line to private entities. Some of the marina improvements are shown extending beyond the outer harbor line. The marina had been mooring vessels outside the outer harbor line. — All of the vessels which had been beyond the outer harbor line had been moved inside the outer harbor line.

<u>Floating Home</u> – Floating homes are not allowed uses within harbor areas. The marina took control of the floating home and tried to auction the home off. No one was interested. They are going to scope out the cost for demolition. I said that no one will be allowed to live on board the floating home. It will continue to be charged NWD rent until it is gone. They should let DNR know when it is demolished.

<u>Residential Uses</u> – There are 9 live-aboards in the marina. This number is down from the 36 liveaboards in the marina when the residential use rule took effect. The pump-out is currently not functional. Liveaboards are using the restrooms and showers in the marina office building and taking their boats to the Port of Bremerton to pump-out.

Jackie said that she requested a repair estimate for the pump-out and filed with the bank to have the repairs done. She thinks someone has made an offer on the marina and the bank would like to hold off on further expenses and have the new owner pick up the cost. — This needs a follow-up letter requiring conformance to WAC 332-30-171 sewage disposal.

Conformance to Local Ordinances: The Bremerton Fire Department is requiring that the marina upgrade their fire system be upgraded to a dry system. The bank is upgrading the system - The fire system has been upgraded and approved by the Bremerton Fire Department.

Maintenance and Repairs:

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While at the marina in Feb 2013 many of the floats were observed to be listing. - **JSH** has contracted for leveling the floats. They anticipate the work will be done by the end of August.

Diagram Below, the location of existing structures showing alignment and dimensions in relation to leased area.



Figure 1 - The pump-out on this dock is not operational.

INSPECTOR: Lindie Schmidt TITLE: Natural Resource Specialist II



Figure 2 - Photo shows the marina offices and rip-rap along the shoreline.

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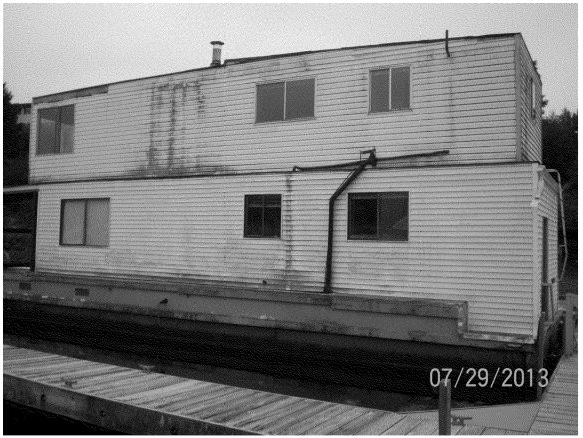
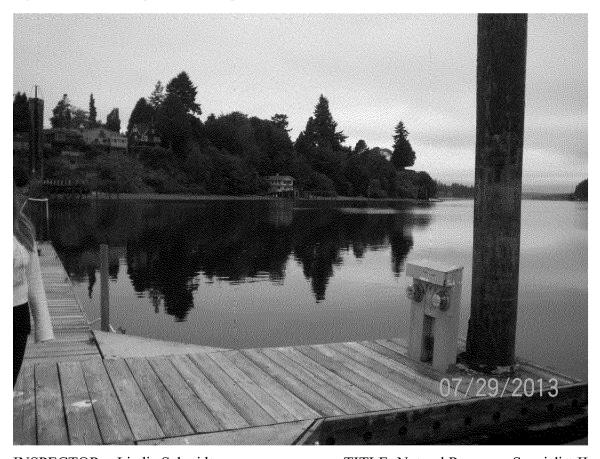


Figure 3 Derelict Floating Home - now in possession of the marina.



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Figure 4 - Photo showing the outer harbor line. No vessels moored outside the outer harbor line.



Figure 5 - Photo showing the outer harbor line. No vessels currently moored outside the outer harbor line.

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